

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6602

BILL NUMBER: SB 387

DATE PREPARED: Dec 4, 1998

BILL AMENDED:

SUBJECT: Time limit on medical review panel proceedings.

FISCAL ANALYST: Susan Preble

PHONE NUMBER: 232-9867

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill requires that a medical review panel give its opinion within one year after the selection of the last member of the initial panel. It requires that the last member of an initial medical review panel be chosen not later than two years after a request for formation of the medical review panel is made. It also adds a provision allowing a civil action against a health care provider to be commenced in a court in Indiana if the medical review panel does not give its opinion within one year after the selection of the last member of the initial panel.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues: This bill may speed up the collection of revenue from filing fees from medical malpractice actions filed by plaintiffs against health care providers. The civil action filing fee is \$100. If the action is filed in a trial court, 70% is deposited into the state General Fund. If the action is filed in a city or town court, the State General Fund receives 50%.

The Department of Insurance reports that in 1995, the average time period between a complaint filing date and a medical review panel's final decision was 40 months. A more recent average is unavailable because the Department of Insurance no longer tracks that information.

In 1997, there were 976 complaints filed and 450 medical review panel opinions rendered.

Explanation of Local Expenditures: The county general fund pays the trial courts' operating expenses. The general fund of the city or town in which the court is located pays the expenses of the city and town courts.

Explanation of Local Revenues: If the action is filed in trial court, the county general fund receives 27% of the \$100 filing fee. The other 3% is deposited in the general fund of the cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a circuit, superior, county, or municipal court located in the county. If the action is filed in a city or town court, the county general fund receives 25% and the city or town general fund receives the remaining 25%.

State Agencies Affected:

Local Agencies Affected: Trial courts, city and town courts.

Information Sources: IC 33-19-7; Adam Crowe, Department of Insurance, (317) 232-5691.